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MICHAEL C. ORMSBY
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Of Counsel

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOSE MAGANA and GENESIS
BOOKKEEPING AND
ACCOUNTING,

Defendants.

Civil No. 15-cv-3177

STIPULATION AND ORDER
FOR ENTRY OF
PERMANENT INJUNCTION

The United States of America, through its undersigned counsel, and
Defendants Jose Magana and Genesis Bookkeeping and Accounting (collectively,

1 “the Defendants”) hereby stipulate and agree to request that the Court enter a
2 permanent injunction against the Defendants as follows:

3 1. The Court finds that the Defendants continually have engaged in
4 conduct subject to penalty under 26 U.S.C. §§ 6694 and 6701. Injunctive relief is
5 appropriate under 26 U.S.C. §§ 7402 and 7407, and under the Court’s inherent
6 equity powers, to prohibit the Defendants from acting as tax return preparers and
7 engaging in conduct subject to penalty under 26 U.S.C. §§ 6694 and 6701.
8

9 2. The Court also finds that the Defendants have engaged in conduct that
10 substantially interferes with the enforcement and administration of the internal
11 revenue laws. Injunctive relief against them, pursuant to 26 U.S.C. §§ 7407(b) and
12 7402(a), as well as the Court’s inherent equity powers, is necessary to prevent
13 recurrence of that conduct.
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15 3. Pursuant to 26 U.S.C. §§ 7402, 7407, and 7408, the Court orders that
16 the Defendants (individually and doing business under any other name or entity),
17 and their representatives, agents, servants, and employees, are permanently
18 enjoined, directly or indirectly, from:
19

- 20 (a) Acting as a federal tax return preparer or requesting, assisting in, or
21 directing the preparation or filing of federal tax returns for any person
22 or entity other than themselves or a legal spouse;
23

- 1 (b) Representing, or assisting in the representation of, any person or
- 2 entity, other than themselves or a legal spouse, before the IRS;
- 3 (c) Instructing, advising, or assisting, directly or indirectly, others to
- 4 violate the tax laws, including to evade the payment of taxes;
- 5 (d) Engaging in activity subject to penalty under 26 U.S.C. § 6694, such
- 6 as preparing federal income tax returns that understate tax liabilities;
- 7 (e) Engaging in activity subject to penalty under 26 U.S.C. § 6701, such
- 8 as assisting in, procuring, or advising with respect to the preparation
- 9 of any portion of a return, affidavit, claim, or other document, when
- 10 knowing or having reason to believe that the relevant portion will be
- 11 used in connection with a material matter arising under the internal
- 12 revenue laws, and knowing that the relevant portion will result in the
- 13 material understatement of another person's tax liability; and
- 14 (f) Engaging in any other conduct that interferes with the administration
- 15 and enforcement of the internal revenue laws.
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- 17
- 18

19 4. The Court orders that the Defendants (1) contact by mail (and by
20 email if an email address is known) the persons and entities who, since January 1,
21 2010, have paid or otherwise retained them to prepare tax returns, and inform them
22 of this Order of Permanent Injunction, attaching a copy of the Order; and (2)
23 provide to counsel for the United States, within 30 days of this Order's entry, a

1 certification signed under penalty of perjury stating that they have done so. The
2 mailings shall include a cover letter agreed to by United States' counsel and shall
3 not include any other documents or enclosures, apart from the Order.

4
5 5. Pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, the Court orders
6 that the Defendants shall produce to counsel for the United States, within 30 days
7 of entry of the Court's Order, a list that identifies by name, social security number,
8 address, email address, telephone number, and relevant tax periods all persons for
9 whom they prepared federal tax returns or claims for refund for tax years 2010
10 through the present.

11
12 6. The Court orders that the Defendants are prohibited from owning,
13 controlling, or managing any business involving tax return preparation and/or tax
14 advice, or from maintaining a professional presence in any premises, whether an
15 office, place of business, dwelling, or other location, where tax returns are being
16 prepared for a fee or professional tax services are being provided.

17
18 7. The United States may conduct post-judgment discovery to ensure
19 compliance with this Order of Permanent Injunction.

20
21 8. The Court shall retain jurisdiction over this action to ensure
22 compliance with the injunction.
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1 Dated: January 28, 2016

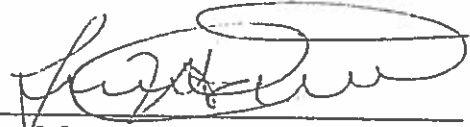
CAROLINE D. CIRAULO
Acting Assistant Attorney General

3 /s/ Charles J. Butler

4 CHARLES J. BUTLER
5 Trial Attorney, Tax Division
6 U.S. Department of Justice
7 P.O. Box 683
8 Washington, D.C. 20044

Attorneys for the United States

9 Dated: February 10, 2016

10 
11 Jose Magana
12 915 King St.
13 Grandview, Washington 98930

14 *Individually and on behalf of*
15 *Genesis Bookkeeping and Accounting*

1 **SO ORDERED.**

2
3 Dated: April 19, 2016.

4
5 *s/Lonny R. Suko*
6 HONORABLE LONNY R. SUKO
7 United States District Judge
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